

The EU and the vicious circle between poverty and insecurity in Latin America



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The EU and the vicious circle between poverty and insecurity in Latin America¹

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The levels of poverty and inequality in Latin America have decreased in comparison to previous decades, but violence and instability are on the rise. The good news is that Latin American countries are not involved in intra-regional conflicts. The bad news is that the region is the second least secure in the world: the homicide rate is 25 murders per 100,000 people; four times higher than the global average.² In most Latin American countries, violence rates have increased since the establishment of democracy.³ The region faces non-traditional threats such as drug-trafficking, urban violence, and political polarisation, which require international responses that differ from the EU's development-oriented perspective or the US's legal-military approach.

Latin America has again plunged into disorder. The chaos reigning in Haiti's failed state, the Honduran *coup d'état*, the polarisation between indigenous and non-indigenous peoples in Bolivia, the armed conflict in Colombia, insecurity in Central America and Venezuela, authoritarianism in Cuba and Venezuela, and the Mexican 'drug war', which in 2009 resulted in 8,000 deaths, attest to the high level of conflict affecting large parts of the region. Given the absence of inter-state conflicts, Latin America is over-armed: between 2000 and 2008, the region's military budget increased by one third. Even though in terms of GDP percentage the region's defence spending is similar to that of Spain, its prioritisation of defence is an alarming trend that echoes the ghosts of the past.

As military spending and insecurity levels have increased, poverty rates have decreased in Latin America from 44 to 34 per cent.⁴ At the same time –

with the exception of Cuba – democratically-elected governments have been consolidated in all countries. However, such advances towards democracy and development have not restrained the progressive move towards greater civil insecurity. In contrast with the EU's perspective,⁵ the Latin American case suggests that there is no linear relationship between development and security and between democracy and security. In addition, the simultaneous decrease in poverty and increase in violence indicate the existence of a clear deficit in European policies towards Latin America.

On the other hand, it is worth noting that Latin America has no weapons of mass destruction, is hardly affected by terrorism, is not involved in state conflicts and has only one failed state, Haiti. Thus, why should it raise concerns in the EU? First, due to the large amount of resources allocated to the region. The EU is Latin America's largest donor and since 2008, Spain occupies first place, having surpassed the United States. Second, in contrast with its political orientations⁶ and relations with Africa, the EU has not established strategic links between development and security in Latin America. Third, due to the EU's historical commitment in Latin America since the Central American peace process, which, to a certain extent, counterbalances US influence.

The Central American isthmus, which receives most European ODA, best illustrates the failure of EU policy. The area presents a vicious circle between insecurity and under-development: homicide rates in El Salvador, Honduras and Guatemala are twice the regional average and poverty levels have hardly decreased. The Andean countries, especially Colombia and Bolivia (the main beneficiaries of the European alternative development policy to combat drug-trafficking), represent another problematic sub-region that receives just under half of the total European resources allocated to the region.

¹ The author would like to thank Lucas van der Velde for his help in gathering data and information for this report. Lucas Van der Velde is an intern at FRIDE and has a BA in International Relations from the Universidad Empresarial Siglo 21 in Córdoba, Argentina.

² Daniel Zovatto, 'Building a constructive inter-American partnership', in Abraham Lowenthal et al. (eds.), *The Obama Administration and the Americas: agenda for change*, Washington DC: The Brookings Institution, 2009, p. 30.

³ Francisco Rojas Aravena, 'Globalización y violencia en América Latina: debilidad estatal, inequidad y crimen organizado inhiben el desarrollo humano', in *Pensamiento Iberoamericano* 2 (2008), pp. 3–36, at p. 10.

⁴ Economic Commission for Latin America and the Caribbean, *Panorama social de América Latina*, Santiago de Chile: ECLAC, 2009.

⁵ European Security Strategy, 2003; European Consensus on Development, Brussels, 2006.

⁶ Council of the European Union, Conclusions on Security and Development, Brussels, 19 November 2007.

Within the framework of the debate on development, democracy and security,⁷ this working paper claims that neither democracy nor poverty reduction have contributed to increasing the region's security levels, but have actually done the contrary. It also analyses to what extent the EU/Spain, as the region's main donor, has contributed to this process through either omission or misguided policies. This paper does not seek to deepen the studies of violence in Latin America, but is limited to examining the responsibilities of the EU and proposing a reorientation of current approaches. A comprehensive assessment of EU projects in each country is beyond the scope of this paper, which focuses on the role of the EU in the face of the vicious circle between development and security in Latin America and, in particular, in Central America and the Andean region.

A cross section of Latin American violence

In the immediate future, insecurity, not poverty, will constitute the region's greatest problem. More than a third of the population has been a victim of crime and half of all kidnappings worldwide occur in Latin America. 21 per cent of Latin Americans and 55 per cent of Venezuelans have identified violence as their countries' largest problem.⁸ In contrast with the dictatorships during the sixties and seventies, current threats arise from non-state actors, such as drug-traffickers, drug cartels, drug-guerrillas, paramilitaries, youth gangs or *maras*.

This increase in violence is due in large part to the free circulation of small arms and light weapons: in Mexico, 15 per cent of the population possesses a firearm; in Guatemala, 13 per cent; in Argentina, Chile and

Venezuela, 11 per cent; and in Brazil, 8 per cent. The United States, EU member states and Russia are the main arms sellers, in addition to an important domestic market: Mexico is the world's seventh exporter of small arms and light weapons and Brazil is the eighth.⁹

Violence in Latin America is predominantly an urban phenomenon.¹⁰ Drug cartels have moved from Colombia to Mexico's northern border (the principal transit route to the US), the *favelas* in Rio de Janeiro are non-state zones, the *maras* reign in some Central American capitals and new armed groups terrorise the Venezuelan population. In 2009, Ciudad Juárez and Caracas were classified as the most dangerous cities in the world, and the situation in other Latin American metropolises is not more promising.

On the other hand, rural violence also persists: the ethnic, social and political conflict in Bolivia stems from the unequal distribution of land and wealth in the country. In Brazil, the influential *Movimento dos Sem Terra* (MST) has emerged and seizes and demands land for rural workers. Furthermore, other countries such as Colombia and Guatemala have high levels of conflict in rural areas, where the presence of the state is minimal and local criminal actors operate without restriction.

The continuity and complexity of this phenomenon suggests that violence is the result of not only social deficit but also of a series of interlinked factors:

- Socioeconomic factors: high levels of poverty and extreme poverty despite improvements during the past few years; unequal distribution of income and opportunities; (socioeconomic) unemployment; ethnic and racial discrimination and low levels of education and training.
- Politico-institutional: weak states that are incapable of warranting security; democratic institutions that

⁷ Richard Youngs, 'Fusing security and development: just another Euro-platitude?', FRIDE Working Paper 43, Madrid 2007.

⁸ Informe Latinobarómetro, Santiago de Chile, 2007 and 2009, respectively.

⁹ Small Arms Survey 2007, 'Guns and the city', Cambridge: Cambridge University Press, 2007. Available online at <http://www.smallarmssurvey.org/files/sas/publications/yearb2007.html>

¹⁰ Laura Tedesco, 'Violencia urbana: soluciones locales y regionales', FRIDE Policy Brief 4, Madrid 2009.

are subverted by personal interests; corruption; clientelism; authoritarian legacies; and inefficient judicial, police and prison systems.

These structural weaknesses have occasioned several different, complex and mostly non-traditional types of conflict:

- *Political polarisation*: high levels of violence and political division, especially in Central America and the Andean region (Bolivia, Ecuador, Honduras, Nicaragua, Peru and Venezuela), with implications for inter-state relations (for example, the conflict between Colombia and Ecuador).
- *Authoritarianism*: even though several countries are affected – to a greater or lesser extent – by the legacy of their military past, Cuba and Venezuela are the only cases in the region with an authoritarian government (the former under the Castro regime, and the latter under Chavéz’s semi-authoritarian regime).
- *Ethnic conflicts*: these are present in nearly all countries of the region; particularly those with significant indigenous populations (Bolivia, Guatemala, Ecuador, Mexico and Peru).
- *Rural conflicts*: conflicts over the ownership of land and natural resources occur in most Latin American countries, particularly in Bolivia and Brazil, where the indigenous population and the MST are key political actors, respectively.
- *State fragility*: Haiti as a failed state, and other dysfunctional states such as Colombia, Guatemala, Honduras and Venezuela.
- *Armed conflict*: fighting among the government, paramilitaries and guerrilla groups in Colombia and, to a lesser extent, in Guatemala, Mexico and Peru.
- *Border conflicts*: over the Falklands between Argentina and the UK; between Bolivia and Chile over sea access; and several other small scale territorial conflicts between neighbouring countries.
- *Drug-trafficking*: the consequences of drug production, consumption and distribution throughout the region, particularly in Bolivia, Brazil, Colombia, Peru, Mexico and Venezuela.
- *Youth gangs*: in addition to *maras* and other criminal networks that undermine the state’s monopoly on

violence in post-conflict societies such as in El Salvador, Guatemala, Honduras and Nicaragua.

In several countries and/or cities, particularly in Brazil, Colombia, El Salvador, Guatemala, Honduras and Mexico, the state has responded with a tough stance on violence.¹¹ In Mexico alone, 45,000 soldiers attempt to regulate the situation in areas controlled by the drug-barons.¹² The fight against violence takes up an increasing amount of resources. According to the Inter-American Development Bank (IADB), the costs of violence are vast and vary between 3 and 15 per cent, depending on the country. Even though there are no inter-state conflicts, since 2000 the region’s military spending has increased by over one third.

Military spending in Latin America (billions of dollars)

<i>Countries</i>	<i>2000</i>	<i>2008 and GDP percentage (2007)</i>
1. Brazil	12.91	15.48 (1,5%)
2. Colombia	3.43	6.57 (4%)
3. Chile	3.05	4.78 (3,4%)
4. Mexico	3.34	3.94 (0,4%)
5. Argentina	2.08	2.08 (0,8%)
6. Venezuela	1.48	1.99 (1,3%)
Total region	28.80	38.70

Source: Stockholm International Peace Research Institute (SIPRI), SIPRI Yearbooks.

In addition to Brazil’s global ascent¹³ and the modernisation of equipment, the rise in defence spending reflects the military response to domestic challenges such as combating drug-trafficking and organised crime or, in the case of Honduras and Venezuela, the cost of the political engagement of the Armed Forces. The military tends to be the last resort of central or local governments; recourse to it shows, at the same time, the inability of the public security forces to put a stop to violence. Despite the existence of

¹¹ See Manuel Mesa, ‘Un balance de la violencia en América Latina: los costes y las acciones para la prevención’, *Pensamiento Iberoamericano* 2 (2008), p. 102. This issue focused on insecurity and violence in Latin America.

¹² Günther Maihold, ‘Krisenfall Lateinamerika’, *SWP-Aktuell* 69, December 2009.

¹³ In 2008, Brazil had the twelfth largest military budget in the world.

collective bodies such as the South American Defence Council within the framework of UNASUR, the region has failed to define a common strategy to face the transnational challenge posed by drug-trafficking and continues to prioritise national 'solutions'.

The military track nurtures the spiral of violence and echoes the ghosts of the authoritarian past when it resorts to the Armed Forces to re-establish internal order. In addition, the judicial, police and prison systems in Latin America are not prepared to face the consequences of the militarisation of domestic conflicts. Even if the police system works, justice fails (several crimes go unpunished) or prison systems simply reproduce violence. The huge amount of resources allocated to the 'war on violence', in addition to being inefficient, neutralises social spending and concomitantly the impact of European ODA to Latin America.

The absence of security in the Euro-Latin American agenda

Unlike international practices¹⁴ or its own presence in and policy towards Africa, the EU has not established a link between development and security in Latin America. Unlike the US law enforcement approach, so far development cooperation has been the EU's only response to violence in the region. In 2008, 46 per cent of the total ODA flows to the region came from the European Union. Spain,¹⁵ having provided 21 per cent of the total amount of funds, was in 2008 Latin America's¹⁶ main partner, followed by the US and the European Commission, respectively.

¹⁴ For the current debate on the nexus between security and development, see Christian Buerger and Pascal Vennesson, 'Security, development and the EU's development policy', April 2009.

¹⁵ The US accounts for 10 per cent of the total ODA allocated to Latin America; over one third of Spain's ODA is allocated to the region.

¹⁶ DAC Development Report 2009, 'Development aid at a glance: statistics by region', 2010.

Security is neither a pillar of EU-Latin American relations nor an important issue in the political dialogue and the various development cooperation projects:

- For the period 2007–13, only 14 per cent of the total amount of European Commission funds allocated to Latin America was destined to security-related projects.
- The Coordination and Cooperation Mechanism on Drugs between the European Union and Latin America and the Caribbean, established as a result of the 1995 EU-Andean Community political dialogue, is the only EU instrument in this field and is only geared towards the Andean countries.
- The Commission's horizontal Euro-Social development cooperation programme to reduce poverty and the unequal distribution of income has only been allocated €30 million (excluding the justice pillar)¹⁷ and does not include security issues.
- The projects carried out between 2007 and 2009 within the framework of the European Instrument for Democracy and Human Rights (EIDHR) hardly mention Latin America, despite the region being until 2006 the second largest beneficiary of the programme, due in particular to the EU's engagement in the Colombian conflict.
- Spanish and European companies present in Latin America complain about insecurity levels and hire private security services; however, these concerns have not been channelled politically. Debate on security issues is virtually inexistent in the 12 dialogue fora between both regions.
- The European Parliament's proposal to sign a Charter for Peace or to create a conflict prevention centre is yet to be defined. Unlike the OAS,¹⁸ the EU-Latin American system does not foresee an official forum to gather defence ministers or those responsible for security matters.
- The EU allocates very limited resources to strengthen judicial and prison systems or towards public security sector reform in Latin America. In addition to the

¹⁷ The five thematic pillars are education, health, justice, taxation and employment.

¹⁸ The OAS holds hemispherical conferences of Defence and Public Security Ministers.

activities of the European Commission, France, the Netherlands, Spain and the UK fund projects to support the modernisation of the Armed Forces or the security forces in Bolivia, Colombia and Venezuela.

In comparison to the US's excessive weight, the EU is virtually absent from the security debate in Latin America, maintaining instead its traditional identity as a development actor.¹⁹ Furthermore, it is striking that the two strategic partners of the EU, Brazil and Mexico, are hardly included in European development cooperation and do not benefit from other types of measures. Whilst Brazil registers the highest levels of drug consumption in the region, Mexico is the main point of entry to the US. With the creation of new drug cartels, 90 per cent of drugs entering the US (in comparison to around 45 per cent five years ago) currently cross the northern Mexican border. It is not a minor problem: the Mexican drug cartels are fifth in the ranking of international criminal groups; they have managed to penetrate political and police circles in the country, have professional hired assassins, and control approximately 40 per cent of the national territory. During the last five years, over 20,000 people have died at the hands of organised crime. The US allocates \$500 million each year to the fight against drugs in Mexico; the EU allocates virtually nothing.

For the period 2007–13, 80 per cent of EC-funded development cooperation projects are directed towards Central America and the Andean countries. Individually, given their position in terms of European ODA and the security problems they pose, Bolivia, Colombia, Guatemala and Honduras are the four priority states to consider. The panorama in the Andean sub-region and in Central America is discouraging. At first glance, the Central American and Andean countries seem to be the most affected by violence, drug-trafficking and high levels of polarisation and conflict. Does this indicate a European policy failure? If so, is it enough to just increase aid efficiency or is it necessary to reallocate these resources? And finally, is there anything the EU can do to reduce the levels of conflict, or should it withdraw from the region?

¹⁹ Richard Youngs, *op cit.* p. 12.

Post-conflict policy failure in Central America

The EU's current Latin American policy is the result of its mediation during the civil wars in Central America, considered one of the most violent regions in the world.²⁰ By means of its support to the regional peace initiative – the 'Contadora' group then made up by Colombia, Mexico, Panama and Venezuela – since 1983, the EU has become an important mediator in the Central American crisis, particularly in the conflict between the Sandinistas in Nicaragua and the US-backed Contra. The San José Process and the conferences of Foreign Affairs Ministers marked the beginning of the EU-Latin American political dialogue. Prior to the establishment of ESDP instruments and before Spain joined the EU, European involvement in Central America was exemplary and contributed to ending existing armed conflicts.²¹

After the signing of the peace accords, the isthmus political conflicts turned into widespread criminal violence. For different reasons, post-war Central American societies have not managed to emerge from the spiral of violence, which is no longer politically-motivated but rather characterised by criminal networks that infiltrate already weak state structures. The 1980s Central American wars left the legacy of new actors such as the *maras* (60.000–70.000 people) that terrorise the populations in El Salvador, Honduras, Guatemala, and to a lesser extent, Nicaragua.

The number of victims as a result of violence in El Salvador has surpassed the number of deaths during the civil war.²² El Salvador and Honduras have the

²⁰ Its homicide rate is 29.1 murders per 100,000 people.

²¹ Albert Galinsoga, 'Balance del proceso de San José: logros y carencias', *Afers Internacionals* 31 (1995), pp. 35–45.

²² Dirk Krujt, 'América Latina. Democracia, pobreza y violencia: viejos y nuevos actores', Working Paper 4, Madrid: Instituto Complutense de Estudios Internacionales (ICEI), 2006, p. 15.

highest homicide rates in the world, which can be attributed to the youth gangs imported from the US and the endemic weakness of states caught up with their actors' individual interests and unable to respond to the numerous new security challenges. Guatemala has been invaded by 'powerful groups linked to organised crime'²³ and is on the way to becoming a criminal state.²⁴ Nicaragua remains immersed in a permanent political and institutional crisis.

Nearly twenty years after the end of armed conflicts, the isthmus sub-region continues to be affected by repeated political crises, *coups d'état* (Honduras in 2009), populists and *caudillos*, social inequalities and higher levels of poverty and under-development than the rest of Latin America.²⁵ This indicates the failure of EU post-conflict policies towards the region. It is not a question of resources, quite the contrary: the EU has continued its historical engagement and since the 1980s has maintained high levels of development cooperation with Central America, which for several years received the highest amount of ODA per capita worldwide. Honduras (2), Nicaragua (3), Guatemala (7) and El Salvador (9), which are considered the most fragile states of the region, are also the largest Latin American beneficiaries of European development cooperation. In some countries, such as Honduras, the amount of ODA reaches 10 per cent of their GDP and is thus an important economic and political factor.

Honduras is the second most violent nation in Latin America and second on the list of priority countries in terms of European Commission development cooperation. For the period 2007–13, the country will receive €223 million (11.7 per cent of the total for the region), aimed at contributing to improving social cohesion within the context of regional integration.²⁶

²³ Human Rights Watch, 'Guatemala', Washington DC: HRW, January 2009.

²⁴ Ivan Briscoe, 'A criminal bargain: the state and security in Guatemala', FRIDE Working Paper 88, Madrid 2009.

²⁵ Poverty affects 69 per cent of the population in Honduras, 62 per cent in Nicaragua, and 54 per cent in Guatemala.

²⁶ Commission of the European Communities, 'Honduras: Country Strategy Paper 2007–2013', Brussels: European Commission, 29 March 2007.

Only one project (still in the preparation phase) is dedicated to public security issues. In numerical terms, public security forces are at a clear disadvantage: in Honduras, 9,000 policemen fight 36,000 gang members (a ratio of 1:4). The situation before and after the state coup in Honduras illustrates that the EU's millions during the last three decades have brought neither development nor political stability, and least of all, improved security. If violence is the country's main challenge, why does the EU not concentrate its projects in this area or establish a nexus between development and security?

Spanish ODA towards the region, concentrated in Central America, has not contributed to improving the security situation either. In the face of a constant increase in violence and the state's lack of capacity to control the situation, Spain's technical assistance during the past ten years to strengthen the new police in El Salvador and Guatemala, created as a result of the peace accords of 1992 and 1996, has not had a positive impact. The experience in Guatemala has been particularly negative. The 'new' National Civil Police is not only corrupt and inefficient, but its involvement in the killings of three deputies from El Salvador and other crimes also show that it constitutes a security threat.²⁷ The failure of police reform is due to the implementation of the hierarchical model of the Spanish Civil Guard in countries with long authoritarian traditions²⁸ and the lack of cohesion with other measures to create a democratic state that is more immune to corruption and 'latent powers'.²⁹

The lack of progress in the areas of security and development indicates the failure of EU policies. Why have the results not been more favourable? What can be done to improve the efficiency of aid? Would it not be better to cut the flow of resources to governments that are unable and unwilling to improve the situation and, in fact, contribute to its worsening? In its

²⁷ Enrique Álvarez D., 'La seguridad en Guatemala I y II', *Guatemala City*, 5 March. Available at http://www.deguate.com/historia/articulo_1377.shtml

²⁸ Manuela Mesa, op. cit. p. 108.

²⁹ Raúl Benítez, 'La crisis de seguridad en México', *Nueva Sociedad* 220, March–April 2009.

2007–13 Central America strategy, the European Commission acknowledges the need to include public security as a development cooperation priority; however, it is uncertain whether continuous support towards Central American integration (which has so far delivered poor results) and governments that are unable to deal with their countries' real problems is the best way forward.

The scarce presence of the EU in current debates on violence in Latin America suggests that Europe sees it as a distant problem unconnected to its own security interests (unlike during the Cold War period when the Central American crisis was perceived as a threat to EU interests). So, if this is the case, why does the EU continue to send so many resources in the form of development cooperation (and has signed an association agreement) to a sub-region that once served to establish a common EU policy but is now practically irrelevant? But if it is not the case, one cannot understand why projects are not aimed at solving the real post-conflict problems: political and state structures undermined by corruption and an irresponsible oligarchy dominated by criminal networks that find fertile ground in post-conflict societies.

EU anti-drugs policy in the Andean region: a zero-sum situation

The panorama in the Andean area – the main coca and cocaine producer of the world – is no more promising. Colombia is the only Latin American country immersed in armed conflict, systematic human rights violations and drug-trafficking networks that undermine the foundations of a historically fragile state which is absent from large parts of its territory. Bolivia, Ecuador and Venezuela are governed by populists of different origins and with different trajectories, who all foment political polarisation and contribute to increasing the already high levels of

conflict in their societies. In Bolivia, Ecuador and Peru, indigenous leaders have come to power through elections and constant popular mobilisation. In all these countries, there has been a reduction in poverty levels, but these remain above the regional average. Undoubtedly, drug-trafficking represents the main security challenge in the Andean region. Bolivia, Colombia and Peru produce up to 1,000 tons of cocaine each year.

European actions in this area have been mixed; although positive in comparison to those of Washington. The main problem is not the lack of a political security dimension, but rather the scarce visibility of the EU when compared to the weighty presence of the US. Again, the EU's principal response to drug-trafficking, political polarisation and intra-state conflicts has been development cooperation. Unlike Central America, drug-trafficking in the Andean region has some security implications for Europe, as the area is the main entry route of cocaine into the old continent. Thus, the EU has chosen a policy that links development and the fight against drugs. In fact, drug-trafficking has been the priority area for EU development cooperation with Latin America in terms of security. The main function of the EU's policy is to offer an alternative to the US's military approach and its 'prohibitionist paradigm'.³⁰

Whilst the US responds to this challenge by means of a military approach and sanctions (the process conditioning ODA), the EU follows a policy based on two principles: (1) the shared responsibility between drug producers and consumers; and (2) alternative development by replacing illicit crops with other agricultural products. Within this framework, the EU uses several instruments:

– *Diplomacy*. The 1998 Coordination and Cooperation Mechanism on Drugs between the European Union and Latin America and the Caribbean, based on shared responsibility. In 2009, both sides

³⁰ Juan Gabriel Tokatlán, 'La guerra anti-drogas y el Comando Sur', *Foreign Affairs Latinoamérica* 10/1 (2010), pp. 34–43.

acknowledged the limits of this instrument: seemingly, the 11 meetings that took place did little more than acknowledge the mechanism, which 'must be strengthened as a framework for a more efficient bi-regional dialogue'.³¹

- **Cooperation.**³² To reduce supply through additional incentives to replace coca cultivation. The so-called 'alternative development' is the main EU instrument to combat drugs in the Andean countries.
- **Trade.** Within this general framework, in 1991 the EU approved the SGP drugs initiative³³ (later exported to Central America and other countries) so that agricultural products would enjoy preferential conditions for entering Europe. However, its impact is limited by the protectionism embedded in the Common Agricultural Policy (CAP) and future free trade agreements with Colombia and Peru.
- **Miscellaneous.** Other components in this area include a reduction in drug consumption levels through health programmes, particularly in the Caribbean and Venezuela, as well as judicial, police and maritime cooperation from some member states (Germany, Italy, Spain and the United Kingdom) to control drug-trafficking and money laundering.

The results indicate that none of these responses has worked. The EU and the US have not only failed to attain their main objectives – reducing drug production and trafficking – but they have also nurtured the spiral of violence, corruption and crime in their 'aid' recipients. The problem is not solved but has changed course: in Bolivia, coca cultivation increased in 2008 by 8 per cent and cocaine production by 50 per cent. Statistics in Peru have also increased. In Colombia,³⁴ during the same year coca and cocaine production went down by approximately the same

percentages. The same has happened with drug cartels that have shifted from Colombia to the US's southern border.

EU and US actions in the Andean region focus mainly on Bolivia and Colombia:

- Bolivia, the main coca producer, is the priority country for EU development cooperation with Latin America. Despite some improvements under the Evo Morales government, over half of the population still lives in poverty, inequality rates are amongst the highest in the region and coca is now considered a 'sacred plant'.
- Colombia, the world's largest cocaine producer, is the second priority country for EU development cooperation in the Andean region. Poverty levels (45 per cent) are a third higher than the regional average. Even though the perception of security has improved, this is not due to EU policies but to US military and police support, which has contributed to regaining state monopoly over violence in parts of the territory.

During the past few decades, the US has allocated millions (mainly channelled through the Drug Enforcement Agency, DEA; the Merida Plan; and the Colombia Plan) to the eradication of coca plants and to combating drug-trafficking. But this effort has not prevented the emergence of new drug cartels in Mexico and Central America or reduced the production and trafficking of cocaine and other drugs. Instead, it has only served to criminalise consumption and trade, without winning the so-called 'war on drugs'.³⁵ Even though there has been no considerable change in policy under the Obama administration, Secretary of State Hillary Clinton acknowledged, in line with the EU policy, the US's 'co-responsibility' with regards to drug consumption and arms sales.

The US thereby comes closer to the EU's position, whose policy has been slightly less disastrous.

³¹ Quito Declaration, XI Meeting of the EU-LAC Coordination and Cooperation Mechanism on Drugs, Andean Community, 27 May 2009.

³² Thirty-five per cent of the total EU budget to combat drug-trafficking (€526,651,911 in 2004) is allocated to the Andean region, particularly to Colombia, Peru and Bolivia, which are jointly the second beneficiaries, following Afghanistan.

³³ The original agreement was amended to include some transit countries, such as Pakistan. This led to complaints from India within the WTO framework, and SGP drugs was closed and replaced by SGP plus.

³⁴ United States Department of State, 'International Narcotics Control Strategy Report. Volume I: Drug and Chemical Control', Washington DC, 2010.

³⁵ Ibid, p.38. According to some authors, 'the Plan Colombia has not worked'. See Rafael Pardo and Juan Gabriel Tokatlíán, 'The war on drugs needs a time-out', *Christian Science Monitor*, 11 August 2009.

Colombia, the only country with an active guerrilla force connected to drug-trafficking (nearly half of the 15,000 homicides in 2009 are attributed to hired assassins), was the largest beneficiary of European ODA to Latin America in 2008. Even though 60 per cent of the population feels more secure, poverty levels of 46.8 per cent surpass the regional average by 13 points and have only slightly decreased during the past 20 years.

The European Commission's most visible initiative has been the so-called 'peace laboratories', in place since 2002³⁶ in cocaine production areas where guerrilla fighters and paramilitaries are present. The 'laboratories' represent a local conflict resolution initiative as they bring together local authorities and civil society representatives in a peace dialogue on drug-trafficking and armed groups, among other issues. However, conclusions are mixed. Although the project design is considered positive, critics have pointed out its limited resources (€92 million in five years), its limitation to certain areas of the country, and the refusal of the parties involved in the conflict to participate.³⁷

In Bolivia, the EU funds 'alternative development' projects in several areas of the country. Similarly to Colombia, European projects do not have a 'significant impact on eradicating coca cultivation or on the development of affected areas'.³⁸ In fact, coca and cocaine production has increased. However, the alternative development policy offers a different approach (and closer to the policy of Evo Morales) to the US's eradication policy, which has actually

³⁶ Out of the three peace laboratories set up by the EU, only the third is still functioning and is awaiting its second implementation phase.

³⁷ Moreno León and Carlos Enrique, 'Laboratorios de paz: una política de creación', *Análisis Político* 22/ 65 (2009). Available online at [http://www.scielo.org.co/scielo.php?pid=S012147052009000100005&script=sci_arttext#\(1\)](http://www.scielo.org.co/scielo.php?pid=S012147052009000100005&script=sci_arttext#(1)); and Dorly Castañeda, '¿Qué significan los laboratorios de paz para la Unión Europea?', *Colombia Internacional* 69 (January/June 2009). Available online at http://www.scielo.org.co/scielo.php?script=sci_arttext&pid=S0121-56122009000100010&lng=es&nrm=iso#%203

³⁸ Montserrat Pi, 'La acción de la Unión Europea en la lucha contra la droga en la zona andina', in Anna Ayuso and Susana Beltrán (eds.), *Hacia una zona andina de paz*, Barcelona: Fundación CIDOB, 2007, p.180.

contributed to increasing coca leaf and cocaine production due to its radical position. In fact, the eradication of crops led to the creation of a protest movement by coca farmers then with the presence of today's President Evo Morales, who clearly opposed Washington's anti-drugs policy, expelling several DEA agents from the country in 2008.

Current EC projects on drugs

Beneficiary	Millions of Euros	Project description
Latin America	6	COPOLAD: to define development cooperation strategies to combat drugs
Andean Community	3.25	PRADICAN: to support the Andean plan against drugs
	2.55	DROSICAN: synthetic drugs at a regional level (due to expire)
Bolivia	7	APEMIN II: sustainable development in cocaine areas (due to expire)
	13	FONADAL: social infrastructure and local authorities in cocaine areas (due to expire)
	26	Support to the National Comprehensive Development Plan with coca
	10	Support to social control of coca production
	9	PISCO: institutional strengthening to combat drug trafficking
Colombia	92	Peace laboratory in Magdalena Medio (I & II): alternative development, peace and stability (due to expire)
	26	Regional development for peace and stability: peace laboratories follow-up
	8.4	Regional development for peace and stability
Peru	10	Alternative development and state modernisation
Venezuela	3.3	Drug stop: to support the national plan to combat drugs
Total Andean countries	216.5	

Elaborated by the author using data from the European Commission.

However, contrary to the rhetoric of simultaneously reducing supply and demand, in practice, the EU's policy is not so different from that of the US: 'Beyond the discourse calling for co-responsibility [...], the

actions of the US, Europe, Latin America and the United Nations show a prevalence of the US's prohibitionist model'.³⁹ In fact, the majority of projects in this area are aimed at reducing supply: 102 out of 135,⁴⁰ whilst only 22 projects are aimed at reducing demand.⁴¹ Equally contradictory is the alternative development strategy to replace coca farming, which is not complemented by economic incentives.

While US policies are too drastic, the EU responds to the drug 'cancer' by applying a sticking plaster that does not do any harm, but does not cure the disease either. The co-responsibility discourse, the SPG drugs initiative and the alternative development strategy of the EU do not offer an efficient response. First, it is no longer possible to separate supply and demand, as Brazil, Mexico and Venezuela are, at the same time, producers, transit countries and consumers. Second, the development of alternative products to replace coca plants cannot be effective unless the prices of coffee and bananas surpass that of coca leaves or cocaine. Whilst the EU continues to protect its agricultural sector and signs free trade agreements with Colombia and Peru but not with Bolivia, the impact of its policies will be limited.⁴² Thus, its alternative development projects are not viewed so favourably and some critics claim that 'the EU has delegated to the US the lead role in the fight against drugs in this country'.⁴³

The EU's own experience in the fight against drugs shows that its policies could be braver and more proactive. Several EU member states, including Spain, the Netherlands and Portugal, have decriminalised light drugs possession and

consumption. The EU has also created various instruments – multi-annual strategies, action plans and a Drug Observatory in Lisbon – with the objective of establishing a common policy. However, beyond its territory the EU has not fomented a more open and taboo-free debate on the progressive legalisation of non-lethal drugs such as marijuana, hashish or cocaine. However, this could be much more effective than the military approach to put an end to drug-trafficking networks and thus the main source of violence in Latin America.

A decriminalising policy towards certain drugs would fit in with the intra-Latin American debate resulting from the document 'Drugs and democracy: towards a change in paradigm', launched in 2009 by three former presidents and other personalities. The shift of the drug war from Colombia to the US southern border has opened a new window of opportunity to re-think anti-drugs policies. The US is progressively inclined to adopt the EU's vision: it has included the co-responsibility principle in its anti-drugs strategy and in 2011 will allocate (within the framework of the Merida Initiative) further resources to good governance projects and to strengthen the justice system. In theory, the alternative development policy also constitutes a better response than coca crop eradication. But this policy is doomed to fail if the US and the EU continue to implement agricultural subsidies that prevent the entry of Latin American agricultural products under more favourable conditions.

Controlling the problems posed by cross-border drug-trafficking and thus reducing violence require multilateral solutions. The 'lack of a shared EU-US vision on drug-trafficking has led to an expansion of drug networks'.⁴⁴ Withdrawing the financial basis and legalising the drug business could be a solution, but this step requires bravery and political will to deal with not only drug traffickers but also those who

³⁹ Juan Gabriel Tokatlián, 'Políticas públicas y drogas ilícitas: el caso de América Latina', 2008, p. 30.

⁴⁰ These 102 projects are divided as follows: 30 alternative development projects (to which most resources are allocated) in Peru, Colombia and Bolivia; 4 diversion of precursors projects; and 68 projects on 'Other measures to reduce supply'.

⁴¹ Council of the EU, 'Notes from horizontal working party on drugs to COREPER/council: the level of funding and the geographic distribution of EU drug projects', 2006.

⁴² For a more detailed analysis, see Montserrat Pi, op. cit. pp. 167–93.

⁴³ Ibid, p. 180.

⁴⁴ International Crisis Group, 'Latin American Drugs II', *Latin American Report* 25, Bogotá: ICG, 2008.

⁴⁵ Transform, Drugs Policy Foundation, *A Comparison of the Cost Effectiveness of the Prohibition and Regulation of Drugs*, Bristol, 2009.

argue that decriminalisation would result in more addicts and increased health problems. According to a recent study,⁴⁵ the costs of legalisation would be lower than the prohibition policy that continues to nurture the links between the guerrilla, drug-trafficking and violence in Colombia. This would have a similar effect in the case of *maras* in Central America, drug traffickers in Caracas and Rio de Janeiro or the drug cartels in Mexico.

The ‘missing link’: Connecting development and security

Undoubtedly, the EU is a secondary actor in the fight against security threats in Latin America. In comparison to the US, which is both part of the problem and the solution, the EU’s presence is scarce in terms of the fight against drugs, youth gangs, kidnappings, common crime and political conflicts. Still, its policy has an important symbolic impact. Through its development cooperation projects, the EU acts as a political counterbalance to the law enforcement response of the US and several countries of the region.

Still, for various reasons, the outcome of European actions in the field of security is not too favourable. First, limited financial resources are allocated to security and fund isolated and/or local projects with no national or regional implications. Second, the EU prioritises certain countries over others and its lack of attention to the public security problems in Brazil and Mexico, its main political, trade and investment partners, is remarkable. Third, European actions are based solely on linking violence to poverty and social exclusion, a perspective that does not correspond to the realities of the region.

In the Andean region, EU policies are appropriate (though cautious), but are implemented incorrectly. Also, as evidenced by the increase in coca cultivation and cocaine production in Bolivia, its alternative development projects lack visibility. Poverty and inequality levels do not seem to have reduced substantially either. However, Colombia’s particular situation suggests the contrary: citizens feel more secure, but poverty levels have hardly diminished. It is difficult to gauge the EU’s contribution to this improvement, but in any event, in this case the outcome is better: the European Commission’s ‘peace laboratories’ in particular have a high level of visibility and prestige, and follow a comprehensive and local approach to the peaceful resolution of conflicts.

The EU’s policy towards Central America, however, is not seen in a positive light. Since the 1980s, the isthmus has been a priority area for EU cooperation, but poverty levels have not decreased, and violence has even increased. Everything points to a clear failure of the EU’s post-conflict policy. European ODA has neither contributed to reducing poverty – identified as the main cause of violence – nor increased the level of social cohesion or the states’ capacity to combat insecurity.

In both Mexico and Brazil, the EU is conspicuous by its absence. The EU’s two strategic partners are barely present in its cooperation policy and are not priority countries in the EU’s fight against drug-trafficking, which is concentrated on the Andean countries. Mexico, which has signed a free trade agreement with the EU, is absent from the European policy to combat drugs. Similarly to Brazil, the EU considers Mexico a regional power and thus ignores the weakening of a state infiltrated by organised crime. In contrast to the official discourse that highlights the importance of Mexico in the region and for European policies, the EU, by omission, perceives drug-trafficking as a bilateral US-Mexico problem. Another reason is the inclusion of security in its cooperation programmes. Given that Brazil and Mexico are middle-income countries, they receive

very little funds. The European Commission's policy contrasts with recent initiatives by some member states, such as the military agreement between France and Brazil and the regional hemispheric security programme funded by the Friedrich-Ebert Foundation in Colombia. However, these are exceptions and not the rule that tends to ignore security problems.

Without denying that it is, above all, an internal Latin American problem, the EU, as the main donor in the region, is jointly responsible for the violence increase. First, Latin America's trajectory raises questions over the existence of a direct relationship between development and security, as suggested by several documents⁴⁶ and the EU's policy towards the region, which considers social cohesion as the main conflict prevention strategy. It is worth noting that the largest Latin American beneficiaries of EU aid during the past twenty years are still the most unstable in political and security terms. As the main donor, the EU has contributed to reducing poverty levels in the region, but its ODA has not managed to avoid the insecurity surge.

It is possible to draw several lessons from the Latin American case: 1) seemingly, reducing poverty and inequality as a means to fight the causes of insecurity does not lead to a decrease in violence levels. Thus, the EU must review its social cohesion policy in Latin America; 2) the high costs associated with non-traditional threats to security and the 'tough stance' tend to neutralise the efficiency of cooperation projects; 3) due to limited resources, the EU's anti-drugs policy does not act as a counterbalance to the US, but its foundations (co-responsibility, local policies and alternative development) represent a viable alternative to militarisation; 4) there are no mechanisms for coordination and information sharing of security matters between the Commission and EU member states; and 7) in order to reduce violence in Latin

America, greater coordination and common policies between the US and the EU are necessary.

The next few years will show whether there can be a correlation between development and security in Latin America. An analysis of the region's trajectory shows there could be a logical order: from democratic transformation in the 1980s, to macroeconomic transformation and finally today's social transformation. The fourth logical transformation should be greater public security. The road to a safer region requires stronger and more democratic states and institutions, higher levels of education and training, higher production and employment levels, better judicial, police and prison systems, and governments that are more willing to deal with security challenges. The examples of Honduras and Guatemala demonstrate that in the absence of adequate politico-institutional conditions, European cooperation projects will continue to be inefficient, despite being appropriate. This begs the question of whether it is worth maintaining such high levels of ODA to governments that seemingly reproduce the vicious circle between violence and poverty.

On the other hand, there is no security dialogue between the EU and Latin America, nor is there a mechanism similar to the support offered by the European Commission to the African Peace Facility, coordinated by the African Union. Even though there is no Latin American Union, the South American Defence Council, within the framework of UNASUR, or the future Latin American and the Caribbean Community (LACC) offer new platforms to support regional solutions. However, in contrast to its commitment to creating further coherence between security and development, in Latin America the EU does not work with UNASUR, it hardly participates in security sector reform and does not link humanitarian aid and public security (except for in Haiti).⁴⁷

⁴⁶ Conclusions of the Council and the Representatives of the Governments of the Member States Meeting within the Council on Security and Development, Annex, DOC 15118/07.

⁴⁷ See 'A secure Europe in a better world: European Security Strategy', Brussels, 12 December 2003, p. 2.

Clearly, the EU's room for action is limited by the presence of the US and the absence of a common Latin American strategy, but there are also other reasons to explain the scarce visibility of the EU, including the lack of inter-state conflicts and of a real threat to European interests or world peace. Within the framework of the current EU debate on security and development, it is worth highlighting that, contrary to its actions in several other parts of the world, European policy in Latin America still goes in the opposite direction: prioritising cooperation and neglecting security.

Still, including the security dimension in its cooperation projects in Central America and the Andean region is the only way to improve their efficiency. Why is Latin America not included in the EU's strategy to respond to situations of fragility? Beyond its borders, Africa is where the EU implements its 'security-development' doctrine. It would be easy to export this model to those areas with high levels of conflict, if not to the entire region. The definition of 'fragility' fits well with the situation of countries such as Colombia or Guatemala and Venezuela, whose 'states are incapable or unwilling to assume their basic functions, obligations and responsibilities with regards to the provision of services, resources management, rule of law, equal access to power, citizen security, and protection and promotion of citizens' rights and liberties'.⁴⁸

Due to neglect or lack of interest, after the end of inter-state conflicts in the region the EU neglected the security aspect of its relations with Latin America, which, despite being a middle-income region, receives most of Europe's development cooperation. In the face of the violence surge, which reduces the impact of its development projects, the EU should change its vision and include security in its development cooperation. First, the European Commission and member states should coordinate

their activities and develop a joint medium- to long-term strategy. Following the example of the African Union, the EU should also support regional initiatives (depending on their efficiency). In order to develop a more coherent policy, the EU could consider the establishment of a conflict prevention mission in Latin America, which, in addition to identifying concrete strategies and projects, explored the feasibility of the European Parliament's proposal to create an EU-LAC conflict prevention centre. Another pending task is carrying out a critical assessment of EU security and drug-trafficking projects in Latin America.

The violence surge in a region free of inter-state conflicts, with democratic governments and some level of poverty undermines the EU's cooperation policy in Latin America. Furthermore, intra-state violence is not limited to this region, which is of little importance to the EU, but is reproduced in other countries and areas of the world. Hence, the EU faces the double challenge of including public security as a horizontal issue in its cooperation projects and of integrating Latin America in a broader global security policy. This implies, above all, a reorientation of its projects towards reforming or reconstructing state institutions on the basis of democracy, development, and citizen security.

The extreme opposites of the successful Chilean state and the failed Guatemalan state show that public institutions and the (limited) separation of powers continue to be the main problem of a region where the military is still used as the last resort to solve problems. On this road towards a necessary reform of the justice, prison and public security systems, as well as the fight against drugs, the EU could offer a much more efficient, coherent delivery of aid, inspired by its own experience and successful policies. The EU, due to the aforementioned limitations, neither wishes nor has the ability to match the US; but it can contribute to the development of a local, comprehensive paradigm to decrease the levels of violence.

⁴⁸ Commission of the European Communities, 'Towards an EU response to situations of fragility – engaging in difficult environments for sustainable development, stability and peace', *COM (2007)*, Brussels: European Commission, 25 October 2007.

This does not require increased resources but rather greater visibility and presence, and an enhanced European profile in the debates and security policies in the Americas. Finally, it is worth highlighting the correlation between migration and security. On the

one hand, migration partly stems from increasing insecurity levels in Latin America. On the other hand, there is the risk of exporting organised crime to Europe, especially to Spain, as the main recipient country of Latin American immigrants.

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Nowadays, Latin America is not quite as poor as in previous decades, but is certainly more violent and unstable. The region faces less traditional security threats such as drug trafficking, urban violence and political polarisation. These require new international responses that differ from the European Union's development angle and the military/legal route followed by the United States. As a key donor, the EU has contributed to the reduction of poverty in Latin America, but this hasn't had a corresponding effect on reducing security problems.

The simultaneous increase in violence and the decrease in poverty in Latin America casts doubt on the existence of a direct relationship between development and security; a relationship suggested by EU policy. Those Latin American countries which have received the most European aid – Central American and Andean countries – remain the most unstable. Seemingly, reducing poverty and inequality levels does not lead to a decrease in violent crime.

Therefore, it is necessary to review the EU's policy towards Latin America. Although Europe cannot and does not want to put itself on the same level of involvement as the US, it can help to develop a new method of reducing levels of violence in the region. It can also have a more significant presence and individual profile in the debates and policies surrounding security in the Americas.

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